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JOHN J. FINNIGAN, JR.
Senior Counsel

Via Overnight Mail

May 29, 2001



Ms. Stacey Gerard
Associate Administrator for Pipeline Safety
U. S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: CPF No. 3-2000-0002
In the Matter of The Cincinnati Gas & Electric Company, Respondent

Dear Ms. Gerard:

Enclosed for filing is an original and 3 copies of a Petition for Reconsideration of The Cincinnati Gas & Electric Company in the above-referenced case. Also enclosed is The Union Light, Heat & Power Company's Revised Gas Incident Reporting Procedure filed with the Kentucky Public Service Commission, Case No. 2000-065. Please file stamp the extra copy enclosed and return in the self-addressed envelope provided.

Should you have any questions regarding this filing, please do not hesitate to call.

Very truly yours,

John J. Finnigan (ssf)

John J. Finnigan
Senior Counsel

JJF/ssf

Enclosures

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
WASHINGTON, DC 20590

In the Matter of)
The Cincinnati Gas & Electric Company,) CPF No. 3-2000-0002
Respondent)

PETITION FOR RECONSIDERATION OF
THE CINCINNATI GAS & ELECTRIC COMPANY

Pursuant to 49 C.F.R. § 190.215, respondent The Cincinnati Gas & Electric Company (CG&E) petitions for reconsideration of the final order issued in this proceeding on May 10, 2001. The grounds for this petition are as follows.

The Notice in this proceeding alleged that CG&E violated 49 C.F.R. § 191.5 by failing to give telephonic notification to the National Response Center (NRC), at the earliest practicable moment, of an explosion and fire in the 1200 block of McGuffey Lane, Batavia, Ohio on April 1, 2000. The incident occurred at approximately 4:50 a.m. and CG&E did not notify the NRC until approximately 10:25 a.m. on April 6, 2000, approximately 124 hours after the incident occurred.

In its response to the Notice, CG&E did not contest that the violation occurred but sought to mitigate the \$5,000 civil penalty by revising its internal procedure for notification of reportable incidents, to ensure future compliance. CG&E committed to submit the revised procedures to the Central Region, Office of Pipeline Safety by August 15, 2000, but failed to do so.

CG&E requests reconsideration of the civil penalty because it has undertaken a thorough review and revision of its incident notification procedures. This arose as the result of two gas pipeline safety incidents where it was alleged that CG&E and its

affiliates failed to provide timely notice of reportable incidents. The first incident involved CG&E's subsidiary, The Union Light, Heat and Power Company. This incident occurred on November 29, 1999 involved a gas leak in Falmouth, Kentucky and did not involve any personal injury or property damage. This incident gave rise to a state gas pipeline safety case styled: *In the Matter of The Union Light, Heat and Power Company Alleged Violation of Commission Regulation 807 KAR 5:027, Section 3(1)(c)*, Case No. 2000-065.

The second incident is the McGuffey Lane incident, which is the subject of the instant proceeding, and which occurred on April 1, 2000. This incident gave rise to a state gas pipeline safety case styled: *In the Matter of the Investigation of The Cincinnati Gas & Electric Company Relative to its Compliance with the Natural Gas Pipeline Safety Standards and Related Matters*, Case No. 00-681-GA-GPS.

CG&E and ULH&P revised their internal procedures for reportable incident notification as a result of both cases. These revisions were in progress when the instant Notice was filed. This is why CG&E committed to file the revised procedure in this proceeding by August 15, 2000. The revisions were finalized in early August 2000. These revisions were filed in the docket of the ULH&P gas pipeline safety case on August 5, 2000. Attached hereto is a copy of the revised incident reporting procedure ~~that ULH&P filed in that proceeding on August 5, 2000, along with the letter of~~ transmittal dated August 4, 2000 and the receipt for overnight mailing. CG&E made the same revisions as part of an interim settlement in the Ohio gas pipeline safety case.

CG&E inadvertently failed to send these revisions to the Central Region, Office of Pipeline Safety, yet CG&E and ULH&P have actually been following the revised

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JOHN J. FINNIGAN, JR.
Senior Counsel

CINERGY.

VIA OVERNIGHT MAIL

August 4, 2000

Mr. Martin J. Huelsmann
Executive Director
Commonwealth of Kentucky
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

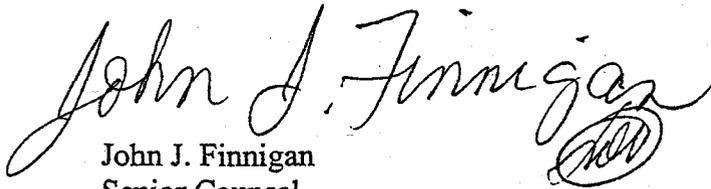
Re: In the Matter of: The Union Light, Heat and Power Company Alleged Violation
of Commission Regulation 807 KAR 5:027, Section 3(1)(c)
Case No. 2000-065

Dear Mr. Huelsmann:

Enclosed please find 13 conformed copies of ULH&P's Notice of Filing of Revised Gas
Incidents Reporting Procedure for docketing in the above styled case.

I would appreciate the return of the additional stamped copies in the enclosed self-
addressed envelope.

Very truly yours, -



John J. Finnigan
Senior Counsel

JJF/nlb

Enclosure

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE UNION LIGHT, HEAT AND POWER COMPANY)
ALLEGED VIOLATION OF COMMISSION)CASE No. 2000-065
REGULATION 807 KAR 5:027, SECTION 3(1)(c))

**NOTICE OF FILING OF
THE UNION LIGHT, HEAT & POWER COMPANY'S
REVISED GAS INCIDENT REPORTING PROCEDURE**

Pursuant to the settlement agreement and Commission Order in this matter, The Union Light, Heat & Power Company (ULH&P) is required to file its revised procedure for reporting gas incidents to Commission Staff. In compliance with these requirements, ULH&P has contacted the following Kentucky gas utility companies: Louisville Gas & Electric Company, Western Kentucky Gas Company and Delta Natural Gas Company. ULH&P has reviewed the gas incident reporting procedures followed by these companies. ULH&P has also reviewed its own gas incident reporting procedure and Emergency Response Plan.

Based on this review, ULH&P has attempted to develop a "best practices" gas incident reporting procedure. ULH&P's revised gas incident reporting procedure is set forth below. ULH&P is in the process of obtaining management approval for this revised reporting procedure and expects that this procedure, or a substantially similar version, will be implemented shortly.

file

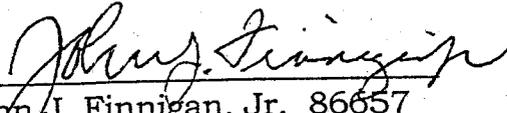
479-2000

REVISED GAS INCIDENT REPORTING PROCEDURE

1. Create a wallet-sized, laminated card containing the gas incident reporting requirements and the internal Gas Control telephone number to which the incident should be reported. A copy of the card is attached hereto. This card will be disseminated to field personnel. The card contains the reporting requirements for notifying the Public Service Commission, as well as the Department of Transportation regarding gas incidents. This card was adopted from the Western Gas Company Emergency Plan.
2. Create a flow chart that outlines how the internal notification responsibilities for reporting gas incidents will operate. A copy of the flow chart is attached hereto. This was adopted from the Louisville Gas & Electric Company's Emergency Plan.
3. Update ULH&P's Gas Incident Notification Report and make it available electronically. Conduct incident report training with all internal personnel on an annual basis. This revision is currently in progress.
4. Update the emergency response guidelines and add the report gas incident reporting criteria in the emergency response guidelines carried in company vehicles. These guidelines have been updated to incorporate the gas incident reporting procedure and will be distributed to the vehicles within the next 30 days.

5. Update Section 2 of the ULH&P Plan for Emergencies and Natural Disasters to include the gas incident reporting procedures. Gas operations personnel will receive training on this as part of this annual training. This revision is in progress.

Based on the foregoing, ULH&P respectfully requests that the Commission issue an order to the effect that ULH&P has complied with its requirement to revise its gas incident notification procedure, as agreed to and ordered in this proceeding.


John J. Finnigan, Jr. 86657
Senior Attorney
James B. Gainer 87288
Associate General Counsel
The Union Light, Heat and
Power Company
139 E. Fourth Street,
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Cincinnati, Ohio 45201-0960
(513) 287-3601

**EMERGENCY INCIDENTS THAT REQUIRE
TELEPHONE NOTIFICATION TO THE DOT**

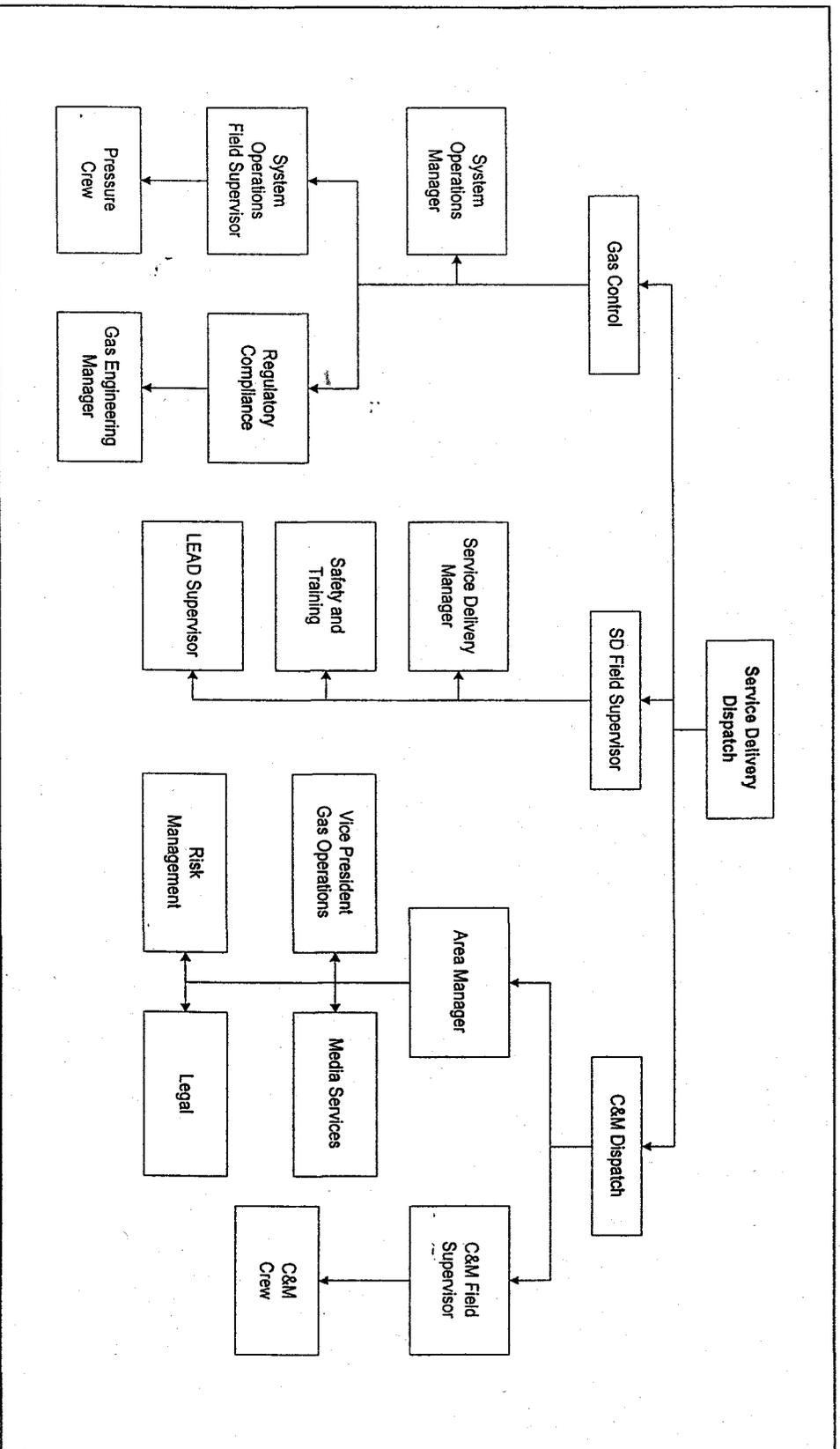
- Death
- Personal injury requiring in-patient hospitalization
- Estimated property damage over \$50,000 including the loss of gas
- An event that is significant, in the judgement of the operator, even though it does not meet the reporting criteria.

Notify Gas Control with information ASAP.
Telephone Number 287-2559 Radio Channel 720081

**EMERGENCY INCIDENTS THAT REQUIRE TELEPHONE NOTIFICATION
TO THE STATE COMMISSIONS**

- Death
 - Personal injury requiring in-patient hospitalization
 - In Indiana - property damage over \$3,000
 - In Kentucky - property damage over \$25,000
 - In Ohio - property damage over \$50,000
 - Gas Ignition
 - Causes the loss of a sizeable amount of gas
 - Receives news coverage
 - Unscheduled curtailment of Priority Residential Customers
 - Interruption of service (need number of customers involved)
- Notify Gas Control with information ASAP - Telephone # 287-2559 Radio Ch. 720081

Gas Incident Reporting Internal Notification Tree



EMERGENCY RESPONSE GUIDELINES

DO NOT REMOVE FROM VEHICLE

These guidelines are also a part of the "Plan for Emergencies and Natural Disasters" and will be revised whenever the "Plan for Emergencies and Natural Disasters" requires a revision.

August 1, 2000

EMERGENCY RESPONSE GUIDELINES

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PLAN OBJECTIVES

The objectives of this plan are to:

- (a) Protect people;
- (b) Protect property;
- (c) Maintain service; and
- (d) Restore service

These Emergency Response Guidelines shall be placed conspicuously on each vehicle in Service Delivery, Construction & Maintenance, Systems Operations, Gas Production and Measurement Center and reviewed annually with all employees and documentation provided to ensure that this requirement has been met. It shall be readily available at each headquarters and all employees at that headquarters shall be aware of its location. Each supervisor in Gas Operations shall have a copy and it must accompany them when in their vehicle. It is the responsibility of the division head to ensure compliance.

It shall be the responsibility of Regulatory Compliance to update these guidelines as needed.

Because each emergency presents its own set of circumstances, these instructions and assignments are necessarily general in nature. Different circumstances require different action. Individual judgment, guided by these guidelines, will determine the actions required to deal with the different circumstances of each emergency. In all circumstances, all employees will remember the primary instruction:

PROTECT PEOPLE FROM HARM

GENERAL DEFINITION

There is an Emergency, when:

- (1) There is an actual or threatened unplanned escape of gas from the system that gas could reasonably be expected to become a hazard to people or property; or
- (2) There is an unintentional ignition of gas; or
- (3) There is an actual or threatened unplanned interruption of service to customers; or
- (4) There is an actual or threatened hazard caused by malfunctioning gas-fired equipment or appliances; or
- (5) There is an odor of gas that cannot be evaluated to determine the extent or source

When any of the situations that are listed above occur, these Emergency Response Guidelines will be implemented.

INVESTIGATION OF EMERGENCIES

ON-SITE SUPERVISOR

As used in this plan, "on-site supervisor" means the person who exercises authority under this paragraph. Although, according to job title, a crew leader is not a supervisor, this may be the person in charge. So "on-site supervisor" means the person who is handling the emergency, no matter what their regular job title may be. If Service Delivery and Construction & Maintenance are on site, it will be the highest level C&M Representative. More detailed activities follow:

- (a) Immediately on arrival at the scene of the emergency, the crew leader of the unit that was dispatched to the scene will make a visual survey of the situation and report to Dispatch. ***The information Dispatch will need to determine that this is a Reportable Incident is on the back page.***
- (b) This report will include:

- (1) A description of the emergency; if there is no apparent damage, merely report arrival on the scene;
- (2) If there is injury to people or damage to property or system facilities;
 - (i) Request ambulance or medical assistance, as appropriate, for the injured people;
 - (ii) Describe the scene - evidence of explosion (damaged buildings, buckled street, cracked earth), fire, blowing gas;
 - (iii) Describe the area - business, industrial, apartments, single-family residences, open country;
 - (iv) Request police (crowd control, rerouting vehicular traffic, evacuation of buildings) and fire department assistance, if needed; and
 - (v) Request additional personnel and equipment to cope with the emergency, if needed.
- (c) When police or fire fighters are on the scene, or subsequently arrive on the scene, the on-site supervisor will identify themselves to the leaders of those groups and coordinate action with them.

FIELD RESPONSE TO EMERGENCIES

ACTION WHEN GAS IS INSIDE OR NEAR A BUILDING

- (a) When seeking entrance to a building or apartment in which there MAY be a concentration of gas, knock on the door; do not use the doorbell.
- (b) When there is a strong odor of gas in the building and clearly a serious safety threat, there is no need to use a Combustible Gas Indicator (CGI) but when in doubt, use it.
- (c) A serious threat to safety exists when:
 - (1) There is a strong odor of gas; or
 - (2) There is an appreciable deflection on the Lower Explosive Limit (LEL) scale of the CGI.
- (d) When a serious threat to safety exists, take the following action as quickly as possible:
 - (1) Get people out of:
 - (i) The affected area; and
 - (ii) Any adjacent areas where they might be injured by an explosion of gas in the affected area;
 - (2) Turn off the gas to the affected area:
 - (i) If the affected area is a single dwelling, turn off the gas at the curb valve or meter valve, whichever is quicker; or
 - (ii) If the affected area is a limited area (such as a single apartment) in a large building, turn off the gas to that limited area if a separate valve is readily available;
 - (3) Ventilate the affected area by opening exterior windows and doors. (Workers may request the fire fighters, or on their own judgment, break windows that will not open where there is a high gas concentration);
 - (4) Eliminate sources of ignition by prohibiting use of:
 - (i) Matches, lighters and smoking materials;
 - (ii) Electrical appliances, switches, motors and controls;
 - (iii) Telephones; and also
 - (iv) Extinguish open flames; and

ACTION WHEN GAS IS INSIDE OR NEAR A BUILDING (CONTINUED)

- (5) Use a CGI to monitor the concentration of gas in the affected area.
- (e) Any time there is gas inside a building, it may be coming from a leak that is outside the building. Unless the leak is readily found inside the building, use a CGI to check the foundation of the building (inside and outside) in the vicinity for any accumulation of gas, paying particular attention to the sewer line, floor drains, utility service entrances and any other below-ground opening in the foundation.
- (f) When the concentration of gas in a building is not an immediate threat to persons or property:
 - (1) Give Dispatch a status report:
 - (2) Ask Dispatch for any additional personnel and equipment that may be needed to repair the leak;
 - (3) Follow normal procedures to:
 - (i) Find and repair the leak;
 - (ii) Test the repair; and
 - (iii) Restore service; and
 - (4) Tell the people who were removed from the area that they may return.
- (g) When service is restored tell customers to be sure to report any odor of gas in the future.
- (h) Complete the service order by recording:
 - (1) Deficiencies found and corrections made;
 - (2) Tests made;
 - (3) Estimated leakage; and
 - (4) All recommendations made to each customer.

ACTION WHEN GAS IS ESCAPING UNDERGROUND

- (a) When gas is escaping underground, it may migrate into a building, vault, or tunnel where it can accumulate in an explosive concentration. The danger is greater when the gas is escaping under an impermeable surface such as pavement, frozen or rain-soaked ground. But gas can also migrate under unobstructed surfaces, particularly along the channels in which utility lines have been laid. Because gas tends to migrate underground, gas escaping underground requires prompt action to:
 - (1) Determine whether the gas has entered nearby buildings; and
 - (2) Vent the gas to the atmosphere, so that it will not reach nearby buildings.
- (b) When gas has escaped underground and there are nearby buildings or vaults into which it may migrate, make a CGI check to determine where the gas has migrated. Check sewers, manholes, seams in pavement and foundations of buildings to determine the extent of the migration. Until the source of the leak is found and the gas vented to the atmosphere, make intermittent CGI checks of the outer perimeter of the migration to ensure that the extent of migration is known at all times.
- (c) Ask the occupants of buildings within the area of gas migration for permission to check for gas inside the building(s). When seeking admission to a building, knock on the door; do not use the doorbell. If entry cannot be gained and a hazardous situation is strongly suspected, turn off the gas and secure the services of the police for entry.
- (d) A serious threat to safety exists when:
 - (1) There is a strong odor of gas; or
 - (2) The CGI shows a presence of gas in free air.
- (e) When a serious threat to safety exists, take the following action as quickly as possible:
 - (1) Get people out of:
 - (i) The building; and
 - (ii) Any adjacent areas where people might be injured by an explosion of gas in that building;

ACTION WHEN GAS IS ESCAPING UNDERGROUND (CONTINUED)

- (2) Ventilate the building or, if it is a large building, ventilate that part of the building in which gas is found; and
- (3) Eliminate sources of ignition by prohibiting use of:
 - (i) Matches, lighters and smoking materials;
 - (ii) Electrical appliances, switches, motors and controls;
 - (iii) Telephones; and also
 - (iv) Extinguish all open flames.
- (f) Even though there is little or no gas in the building, it may be that gas is just beginning to enter. Check the below-ground areas within the building, paying particular attention to the sewer line, floor drains, utility service entrances and any other openings in the foundation. If gas is detected, continue intermittent checks.
- (g) If it is evident that the leak is in a service line:
 - (1) Turn off the gas at the curb valve;
 - (2) Vent the gas, if possible; and
 - (3) Make a status report to Dispatch
- (h) If it is evident that there is a break or leak in a main or service:
 - (1) As quickly as possible, vent the area into which the gas is escaping, using such information as is immediately available to determine where to dig;
 - (2) Notify the Gas Controller if gas to the main should be shut off or reduced in pressure; and
 - (3) Find the break and vent the gas directly to the atmosphere.
- (i) If gas to the main should be shut off or reduced in pressure, notify the Gas Controller with:
 - (1) A description of the field conditions, particularly the threat to the safety of people and property resulting from the escape of gas; and
 - (2) The exact location of the emergency, including town, subdivision, street name, address, names of nearest intersecting streets, and Pressure Map number (if known).

ACTION WHEN GAS IS ESCAPING UNDERGROUND (CONTINUED)

- (j) The Gas Controller will evaluate the information, confer with the field supervisor and decide whether the gas can be shut off or pressure reduced. Only Gas Systems Operations personnel may be authorized to reduce pressure. Construction and Maintenance and Energy Services personnel may, with the Gas Controller's approval, shut off gas; they do not perform pressure reductions. If the decision is to shut off gas or reduce the pressure, the Gas Controller will:
- (1) Authorize the field supervisor to proceed and give valve numbers and locations;
 - (2) Instruct Gas Systems Operations field personnel regarding action they should take, such as operating additional valves;
 - (3) Notify Service Delivery as to:
 - (i) The area involved in the emergency; and
 - (ii) That service will have to be turned off to customers in the affected area;
 - (4) If a major source of supply is involved, reroute gas within the system;
 - (5) If there is need for a major change in gas supply, notify gas supply companies of the change; and
 - (6) Monitor operations for the balance of the emergency.
- (k) Service Delivery will:
- (1) Turn off service to customers in the affected area; and
 - (2) When the system is restored to normal operating pressure, restore gas service to customers.
- (l) For leaks not covered by the preceding paragraph:
- (1) Find the center of the leakage area and vent the gas directly to the atmosphere;
 - (2) Vent the area into which the gas is escaping; and
 - (3) Pinpoint the leak.
- (m) In all instances in which gas has been escaping underground, continue intermittent CGI checks of buildings within the perimeter of gas migration until:

ACTION WHEN GAS IS ESCAPING UNDERGROUND (CONTINUED)

- (1) The source of underground gas has been:
 - (i) Turned off; or
 - (ii) Vented directly to the atmosphere at the break or leak; or
 - (2) The gas remaining in the ground appears to no longer be a threat to people or property.
- (n) When the break or leak has been located and vented directly to the atmosphere:
- (1) Give Dispatch a status report;
 - (2) Ask Dispatch for any additional personnel and equipment that may be needed to repair the break or leak;
 - (3) Follow normal procedure to:
 - (i) Repair the break or leak;
 - (ii) Test the repair; and
 - (iii) Restore service; and
 - (4) As soon as practical tell the people who were removed from the area that they may return.

ACTION IN CASE OF EXPLOSION

- (a) In an area that is served by gas, an explosion raises the possibility that the explosion resulted from an accumulation of gas from a leak in our system.
- (b) When there is an explosion in a building that is served by gas, immediately turn off the gas to the building, unless:
 - (1) There is an important reason for maintaining gas service (for example, to a hospital for heat during cold weather); or
 - (2) A check with a CGI shows that there is no gas escaping into the building.
- (c) When there is an explosion in an area served by gas:
 - (1) Using a CGI, check the area surrounding the explosion to determine whether gas is escaping underground; and
 - (2) If gas is found to be escaping underground, take the action prescribed in Paragraph 4.2.

OPERATION OF GAS VALVES BY PERSONNEL OTHER THAN SYSTEMS OPERATIONS CREW

NO VALVES ARE TO BE OPERATED WITHOUT ORDERS FROM THE GAS CONTROL SUPERVISOR BY ANYONE INCLUDING SYSTEMS OPERATIONS CREWS. IF YOU CANNOT CONTACT THE GAS CONTROL SUPERVISOR BY RADIO, USE THE TELEPHONE: 287-2559 OR 287-2558.

NATURAL DISASTER(S) - ON-DUTY PERSONNEL

In case of a natural disaster, such as an earthquake, tornado, or other forces of nature, Dispatchers will notify field units by radio of the occurrence and extent, if possible. Those units will be requested to help in identifying the affected areas. This is to be repeated at sufficient intervals to identify the involvement. Resultant action will depend on the extent and response required.

INVESTIGATION OF EMERGENCIES

As soon as possible after the end of the emergency:

(a) Gas Operations will:

- (1) Investigate the incident;
- (2) Determine the cause(s) of the incident;
- (3) Report personal injuries, property losses, facts, circumstances and cause or causes of the incident;
- (4) When the incident resulted from a failure of pipeline material, keep the failed material available for technical examination until the investigation is completed; and
- (5) Make such changes in its program as may be advisable to minimize the future occurrence of similar incidents.

(b) Gas Engineering will:

- (1) Make a technical examination of the failed material, where appropriate; and
- (2) Recommend changes in its program as may be advisable to minimize the possibility of a future occurrence of similar incidents.

(c) Gas Operations and Gas Engineering will confer and determine the operational changes, e.g. contingency plans, that each should make to minimize the possibility of a future occurrence of such an incident.

EMERGENCY INCIDENTS THAT REQUIRE TELEPHONE NOTIFICATION
TO THE STATE COMMISSIONS

- Death
- Personal injury requiring in-patient hospitalization
- In Indiana - property damage over \$3,000
- In Kentucky - property damage over \$25,000
- In Ohio - property damage over \$50,000
- Gas Ignition
- Causes the loss of a sizeable amount of gas
- Receives news coverage
- Unscheduled curtailment of Priority 1 (Residential Customers)
- Interruption of service (need number of customers involved)

Notify Gas Control with information ASAP - Telephone # 287-2559 Radio Ch 720081